

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6548

BILL NUMBER: HB 1089

NOTE PREPARED: Dec 17, 2003

BILL AMENDED:

SUBJECT: Nonreversion of CHOICE Program Funds.

FIRST AUTHOR: Rep. Day

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill creates the Community and Home Options to Institutional Care for the Elderly and Disabled Program (CHOICE) account within the state General Fund and specifies uses for money in the account. The bill annually appropriates money in the account for the administration of and provision of services under the CHOICE program.

Effective Date: July 1, 2004.

Explanation of State Expenditures: This bill creates the CHOICE account as a nonreverting account within the General Fund. Money remaining in the account at the end of each state fiscal year is to be annually appropriated for CHOICE administration and services.

Appropriation and reversion experience within the existing CHOICE account is presented below:

Fiscal Year	CHOICE Appropriation	Medicaid Waiver Transfer from CHOICE	Reversion to the General Fund
FY 2005	\$ 48,673,544	\$ 5.6 M	NA
FY 2004	\$ 48,673,544	\$ 5.6 M	NA
FY 2003	\$ 48,683,904	\$ 5.6 M	\$ 5,456,852
FY 2002	\$ 48,683,904	\$ 5.6 M	\$ 2,700,000
FY 2001	\$ 42,623,785	\$ 4.9 M	0
FY 2000	\$ 42,623,785	\$ 4.9 M	0
FY 1999	\$ 37,482,455	\$ 4.9 M	0

The fiscal impact of this bill would be dependent upon administrative decisions made by the State Budget Agency, the Family and Social Services Administration, or the State Board of Finance. The nonreverting status of the account created by this bill does not guarantee that the CHOICE program would be permitted to increase the base level of services provided above the level budgeted and considered sustainable; or that the funds would remain available to the program for expenditure over time. Appropriations must be allotted by the State Budget Agency, the Family and Social Services Administration also may request the State Budget Agency to transfer funds within the Agency, and the State Board of Finance may transfer unused funds to the General Fund or to other agencies.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration; the State Budget Agency.

Local Agencies Affected:

Information Sources: Medicaid Forecasts, Office of Medicaid Policy and Planning, and General Fund Reversions Summaries for SFY 1999-2003, State Budget Agency.

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